



WE MAKE CLEAN ENERGY HAPPEN®

One Williams Center
P.O. Box 645
Tulsa, OK 74172

July 15, 2022

Mary McDaniel

Director, Southwest Region
8701 S. Gessner, Suite 630
Houston, TX 77074

Re: Williams Field Services – Gulf Coast Company, L.P., Notice of Probable Violation, CPF No.4-2022-038-NOPV

Ms. McDaniel,

This submittal is in response to the Notice of Probable Violation (NOPV) issued to Williams Field Services – Gulf Coast Company, L.P. (Williams) in docket CPF 4-2022-038 on June 17, 2022. . The NOPV alleges one (1) violation of the federal pipeline safety regulations at Part 192 related to internal corrosion monitoring and includes one (1) associated proposed compliance order (PCO) requirement. PHMSA also proposes a total civil penalty of \$33,300. Williams does not contest the underlying allegation or proposed penalty but submits this written response to provide clarifying information related to the underlying allegations and for compliance with the associated PCO items.

Williams is committed to the safe operation of its pipeline facilities and in compliance with all applicable health, safety, and environmental laws and regulations and works to continuously improve its processes and procedures in furtherance of this goal. Consistent with its commitment, Williams voluntarily self-disclosed the missed coupons identified in the NOPV on May 18, 2021, and supplemented that self-disclosure on August 11, 2021. After making its self-disclosure, Williams voluntarily completed an internal root cause analysis, engaged an expert to conduct an independent root cause analysis, both of which have been shared with PHMSA, and began implementing recommendations from these two reports.

The allegations from the NOPV and the associated PCO requirement are listed below in italics, followed by Williams' response providing additional or clarifying information relevant to compliance with the PCO.

PHMSA Allegation:

1. §192.477 Internal Corrosion Control: Monitoring

If corrosive gas is being transported, coupons or other suitable means must be used to determine the effectiveness of the steps taken to minimize internal corrosion. Each coupon or other means of monitoring internal

corrosion must be checked two times each calendar year, but with intervals not exceeding 7 ½ months.

Williams failed to monitor the effects of corrosive gas on the interior of its pipeline two times each calendar year at intervals not exceeding 7 ½ months in accordance with 192.477. Specifically, Williams missed 14 internal corrosion coupon inspections from 2017 through 2021.

Williams transports corrosive gas in its Gulf of Mexico offshore gathering pipelines. Williams' Corrosion Control for Gas Transportation, 11.0 Internal Corrosion Control (Revision 3, Effective Date: 7/22/2021) manual (Corrosion Control Manual) defines "corrosive gas" as "a gas which, by chemical reaction with the pipe to which it is exposed, usually metal, produces a deterioration of the material." Due to the transportation of corrosive gas, Williams injects corrosion inhibitors to mitigate internal corrosion and uses internal corrosion coupons to monitor the effectiveness of its internal corrosion program. The internal corrosion coupons measure the deterioration of the pipe.

Section 11.1 of Williams' Corrosion Control Manual states, "[i]f a corrosive environment is present, perform internal corrosion monitoring at least twice each calendar year, not to exceed 7 ½ months." Pursuant to the Corrosion Control Manual, Williams records the results of these semiannual coupon inspections on its form F-227 Corrosion Coupon report.

In calendar years 2017, 2018, 2019, 2020, and 2021, 14 required internal corrosion coupon inspections were missed or exceeded the 7 ½ months required interval.

Therefore, Williams failed to monitor the effects of corrosive gas on the interior of its pipeline two times each calendar year at intervals not exceeding 7 ½ months in accordance with its Corrosion Control Manual § 192.477.

Proposed Compliance Order Requirement: Williams must submit the findings from a root cause failure analysis performed by an independent technical expert regarding the company's failure to complete the inspections to PHMSA for review within 90 days of receipt of the Final Order. In addition, Williams must conduct the required internal corrosion inspections within 30 days of receipt of the Final Order.

Williams Response:

As summarized above, Williams submitted a voluntary self-disclosure to PHMSA on May 18, 2021 and supplemented the disclosure on August 11, 2021. Williams disclosed the missed coupons identified in this NOPV. Accordingly, Williams does not contest the findings or penalty that are associated with this allegation. Williams is requesting a clarification and modification to the PCO.

After providing a supplemental self-disclosure, Williams proactively conducted an internal root cause analysis, which was shared with PHMSA on October 29, 2021. Williams has already implemented several of the recommendations from this report, including improved monitoring of contracted vendors and filling the management gaps

identified in the root cause analysis by implementing a work-task tracking system that maintains deadlines and reminders for each coupon.

Regarding the PCO requirement to submit the findings from an independent root cause failure analysis, prior to receiving this NOPV, Williams engaged DNV GL USA, Inc. (DNV) to conduct an investigation and perform an independent root cause analysis. Williams shared this plan with PHMSA in December 2021. DNV completed its analysis and submitted its report to PHMSA on May 11, 2022. Subsequently, Williams met with PHMSA Southwest Region Director, Mary McDaniel, and Transportation Specialist, Thomas Warner, to discuss the findings on June 6, 2022. Williams understands that the DNV independent root cause failure analysis satisfies the PCO requirement for this item.

As to the additional requirement in the PCO to complete the coupon pulls within 30 days of receipt of the Final Order, Williams has completed the required internal corrosion inspections and first coupon pulls for 2022 in March and April. Due to the offshore locations of these coupons and difficulty arranging for their pull and transportation, Williams requests that PHMSA permit it to comply with the PCO by pulling the coupons during their next scheduled inspection in September or October 2022, depending on the location.

Thank you for your time and consideration and we look forward to your response. Should you have any questions or comments, or wish to discuss these issues further, please contact me.

Respectfully,

A handwritten signature in black ink, appearing to read "John Bell". The signature is written in a cursive style with a large initial "J" and "B".

John Bell

Manager of Pipeline Safety – Transmission & Gulf of Mexico

John.Bell@williams.com

Cc: Clint Pernack – Williams, Director of Pipeline Safety & Asset Integrity
Mark Cluff – Williams, Vice President Safety & Operational Discipline